

**UNITED WAY OF BROOME**  
**COUNTY, INC.**

**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**  
**With Comparative Totals For**  
**December 31, 2013**

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**UNITED WAY OF BROOME COUNTY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2014 AND 2013**

<b>ASSETS</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Cash and Cash Equivalents	<b>\$2,099,938</b>	\$2,012,254
Restricted Cash	<b>\$450,197</b>	\$4,964
Pledges, Grants and Bequests Receivable, Net of Allowance for Uncollectible Pledges of \$240,586 and \$249,417 for 2014 and 2013, respectively	<b>1,120,712</b>	1,197,819
Investment Income Receivable	<b>33,297</b>	16,905
Other Receivables and Prepayments	<b>174,244</b>	103,337
Investments, At Market	<b>28,914,904</b>	29,011,589
Beneficial Interest in Trusts	<b>892,242</b>	903,010
Property and Equipment, At Cost, Net of Accumulated Depreciation	<b><u>232,053</u></b>	<u>235,965</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$33,917,587</u></u></b>	<b><u><u>\$33,485,843</u></u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Allocations Payable to Member Agencies, Other Grants Payable	<b>\$177,142</b>	\$158,386
Other Liabilities	<b>319,899</b>	292,817
Accrued Pension Cost	<b><u>1,196,049</u></b>	<u>363,665</u>
<b>Total Liabilities</b>	<b>1,693,090</b>	814,868
<b>Net Assets</b>		
Unrestricted:		
Board Designated	<b>10,758,849</b>	9,788,850
Undesignated	<b><u>966,490</u></b>	<u>2,533,659</u>
<b>Total Unrestricted</b>	<b>11,725,339</b>	12,322,509
Temporarily Restricted	<b>9,112,061</b>	8,980,601
Permanently Restricted	<b><u>11,387,097</u></b>	<u>11,367,865</u>
<b>Total Net Assets</b>	<b><u><u>32,224,497</u></u></b>	<b><u><u>32,670,975</u></u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$33,917,587</u></u></b>	<b><u><u>\$33,485,843</u></u></b>

See the accompanying notes to financial statements.

**UNITED WAY OF BROOME COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**WITH COMPARATIVE TOTALS FOR 2013**

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>Permanently</u> <u>Restricted</u> <u>Net Assets</u>	<u>Total</u> <u>2014</u>	<u>Total</u> <u>2013</u>
<b>PUBLIC SUPPORT AND REVENUE</b>					
Gross Campaign Results (2013/2014)	\$ 433,816	\$ -	\$ -	\$ 433,816	\$ 84,437
Add: Collection Surplus	69,984	-	-	69,984	-
Less : Collection Losses	-	-	-	-	(10,381)
Less: Donor Designations	497	-	-	497	-
Net Campaign Revenue (2013/2014)	<u>504,297</u>	<u>-</u>	<u>-</u>	<u>504,297</u>	<u>74,056</u>
Gross Campaign Results (2014/2015)	-	1,713,025	-	1,713,025	1,902,937
Less: Provision for Net Collection Losses	-	(104,000)	-	(104,000)	(104,000)
Less: Donor Designations	-	(189,019)	-	(189,019)	(220,743)
Net Campaign Revenue (2014/2015)	<u>-</u>	<u>1,420,006</u>	<u>-</u>	<u>1,420,006</u>	<u>1,578,194</u>
Bequests and Other Contributions	19,191	17,985	30,000	67,176	225,845
Interest and Dividend Income, Net of Investment Fees of \$49,703 and \$45,647 for 2014 and 2013 respectively	331,321	346,732	-	678,053	645,158
Realized Gains on Investments	597,691	867,431	-	1,465,122	1,150,659
Unrealized Gains (Losses) on Investments	(88,545)	(317,936)	(10,768)	(417,249)	2,562,172
Donated Equipment and Merchandise	4,706	-	-	4,706	-
Grants and Program Income	340,132	-	-	340,132	256,632
Service Fees	30,773	-	-	30,773	21,238
Other Income	5,967	-	-	5,967	1,520
Net assets released from restrictions	<u>2,202,758</u>	<u>(2,202,758)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b><u>\$ 3,948,291</u></b>	<b><u>\$ 131,460</u></b>	<b><u>\$ 19,232</u></b>	<b><u>\$ 4,098,983</u></b>	<b><u>\$ 6,515,474</u></b>

See the accompanying notes to financial statements.

**UNITED WAY OF BROOME COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**AND WITH COMPARATIVE TOTALS FOR 2013**

<b>EXPENSES</b>	<b>Unrestricted Net Assets</b>	<b>Temporarily Restricted Net Assets</b>	<b>Permanently Restricted Net Assets</b>	<b>Total 2014</b>	<b>Total 2013</b>
Gross Funds Awarded/Distributed	\$ 2,023,649	\$ -	\$ -	\$ 2,023,649	\$ 2,240,374
Less: Allocations Funded Through Donor Designations	-	-	-	-	(172,725)
<b>Net Allocations and Grants</b>	<b>2,023,649</b>	<b>-</b>	<b>-</b>	<b>2,023,649</b>	<b>2,067,649</b>
Community Investments	15,957	-	-	15,957	32,908
2-1-1	234,500	-	-	234,500	227,009
Volunteer Engagement	168,594	-	-	168,594	30,904
Community Impact & Initiatives Programs	417,135	-	-	417,135	741,719
Community Planning & Relations	126,565	-	-	126,565	6,396
<b>Total Program Services</b>	<b>2,986,400</b>	<b>-</b>	<b>-</b>	<b>2,986,400</b>	<b>3,106,585</b>
<b>Supporting Services</b>					
Management and General	420,443	-	-	420,443	280,888
Fund Raising	267,751	-	-	267,751	262,486
<b>Total Support Services</b>	<b>688,194</b>	<b>-</b>	<b>-</b>	<b>688,194</b>	<b>543,374</b>
<b>Total Functional Expense</b>	<b>3,674,594</b>	<b>-</b>	<b>-</b>	<b>3,674,594</b>	<b>3,649,959</b>
Pension - Related Changes Other Than Net - Periodic Pension Expense	870,867	-	-	870,867	(404,700)
<b>TOTAL ALLOCATIONS AND OTHER EXPENSE</b>	<b>4,545,461</b>	<b>-</b>	<b>-</b>	<b>4,545,461</b>	<b>3,245,259</b>
Change in Net Assets	(597,170)	131,460	19,232	(446,478)	3,270,215
Net Assets at the Beginning of the Year	12,322,509	8,980,601	11,367,865	32,670,975	29,400,760
<b>Net Assets - End of Year</b>	<b>\$ 11,725,339</b>	<b>\$ 9,112,061</b>	<b>\$ 11,387,097</b>	<b>\$ 32,224,497</b>	<b>\$ 32,670,975</b>

See the accompanying notes to financial statements.

**UNITED WAY OF BROOME COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**WITH COMPARATIVE TOTALS FOR 2013**

	Community Investments	2-1-1/ First Call For Help	Volunteer Engagement	Community Impact Initiatives Programs	Community Planning & Relations	Total Program Services	Management & General	Fund Raising	Total 2014	Total 2013
Allocations	\$ 1,923,884	\$ -	\$ -	\$ -	\$ -	\$ 1,923,884	\$ -	\$ -	\$ 1,923,884	\$ 2,136,471
Venture and other miscellaneous grants	74,765	-	3,682	149,361	-	227,808	-	-	227,808	90,462
Capacity Grants	25,000	-	-	-	-	25,000	-	-	25,000	25,015
Flood Recovery	-	-	-	-	-	-	-	-	-	249,159
Less: Donor Designations	-	-	-	-	-	-	-	-	-	(172,725)
Sub-Total	<u>2,023,649</u>	<u>-</u>	<u>3,682</u>	<u>149,361</u>	<u>-</u>	<u>2,176,692</u>	<u>-</u>	<u>-</u>	<u>2,176,692</u>	<u>2,328,382</u>
Staff Salaries	10,661	143,928	61,730	118,421	80,524	415,264	191,138	141,263	747,665	669,216
Personnel Benefits & Taxes	2,157	33,556	11,033	19,481	19,293	85,520	143,621	24,215	253,356	278,340
Sub-Total	<u>12,818</u>	<u>177,484</u>	<u>72,763</u>	<u>137,902</u>	<u>99,817</u>	<u>500,784</u>	<u>334,759</u>	<u>165,478</u>	<u>1,001,021</u>	<u>947,556</u>
Professional Services	331	13,870	46,157	45,782	4,175	110,315	14,491	3,342	128,148	99,203
Supplies and Program Costs	97	2,820	23,008	28,946	4,449	59,320	4,971	1,639	65,930	42,228
Telephone	47	7,587	557	1,967	1,414	11,572	2,235	1,146	14,953	14,397
Postage	102	2,519	1,322	933	527	5,403	949	2,022	8,374	1,961
Occupancy Costs	291	7,081	2,939	6,361	3,620	20,292	7,350	5,793	33,435	29,703
Printing, Publication, Publicity	75	868	7,443	2,281	552	11,219	3,433	49,336	63,988	63,583
Travel	295	2,825	3,460	2,298	1,574	10,452	1,708	4,071	16,231	16,326
Dues and Subscriptions	575	378	(113)	(148)	213	905	2,094	81	3,080	3,798
Equipment Maintenance, Rental	24	3,935	896	1,755	1,204	7,814	2,330	5,021	15,165	14,670
Business Insurance	224	2,908	1,153	2,123	1,239	7,647	2,938	2,350	12,935	5,840
Depreciation	867	9,214	2,982	5,771	2,934	21,768	7,723	12,141	41,632	35,595
Dues to Affiliates	-	-	-	-	-	-	28,665	-	28,665	29,694
Inkind Expenditures	-	-	-	-	850	850	-	3,856	4,706	-
Other Expenses	211	3,011	2,345	31,803	3,997	41,367	6,797	11,475	59,639	17,023
Sub-Total	<u>3,139</u>	<u>57,016</u>	<u>92,149</u>	<u>129,872</u>	<u>26,748</u>	<u>308,924</u>	<u>85,684</u>	<u>102,273</u>	<u>496,881</u>	<u>374,021</u>
<b>Total Functional Expense</b>	<u>\$ 2,039,606</u>	<u>\$ 234,500</u>	<u>\$ 168,594</u>	<u>\$ 417,135</u>	<u>\$ 126,565</u>	<u>\$ 2,986,400</u>	<u>\$ 420,443</u>	<u>\$ 267,751</u>	<u>\$ 3,674,594</u>	<u>\$ 3,649,959</u>

See the accompanying notes to financial statements.

**UNITED WAY OF BROOME COUNTY, INC.**  
**STATEMENTS OF CASH FLOW**  
**FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>Cash Flows From Operating Activities:</b>		
Increase (Decrease) in Net Assets	\$ (446,478)	\$ 3,270,215
<b>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:</b>		
Depreciation	41,632	\$ 35,595
Unrealized (Gain) Loss on Investments	417,249	(2,562,172)
Realized (Gain) Loss on Investments	(1,465,122)	(1,150,659)
Minimum Pension Liability Adjustment	832,384	(376,343)
Increase (Decrease) in Allowance for Uncollectible Pledges	(8,831)	20,474
<b>(Increase) Decrease in Operating Assets</b>		
Pledges, Grants and Bequests Receivable	85,938	209,105
Investment Income Receivable	(16,392)	(1,008)
Other Receivables and Prepayments	(70,907)	19,259
<b>Increase (Decrease) in Operating Liabilities</b>		
Allocations Payable	18,756	(37,068)
Other Liabilities	27,082	13,589
<b>Net Adjustments</b>	<u>(138,211)</u>	<u>(3,829,228)</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>(584,689)</u>	<u>(559,013)</u>
<b>Cash Flows From Investing Activities:</b>		
Purchase of Investments	(13,436,258)	(8,518,503)
Proceeds from the Sale of Investments	14,591,584	8,741,454
Payments for Property and Equipment	(37,720)	(43,722)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>1,117,606</u>	<u>179,229</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>532,917</u>	<u>(379,784)</u>
Beginning Cash and Cash Equivalents	<u>2,017,218</u>	<u>2,397,002</u>
<b>Ending Cash and Cash Equivalents</b>	<u>\$ 2,550,135</u>	<u>\$ 2,017,218</u>

See the accompanying notes to financial statements.

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

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**NOTE 1 – NATURE OF OPERATIONS**

The United Way of Broome County, Inc. (the Organization) is a non-profit corporation established February 1, 1954 as the United Fund of Broome County. The United Fund subsequently merged with the Broome County Social Planning Council in January of 1973 forming the current Organization. The Organization is governed by a volunteer board of directors with a mission to drive change that will have a positive impact on the critical needs of our community by strategically leveraging the collective resources of community partners. The Organization assesses community needs, solicits public contributions, and allocates those funds to programs of partner agencies that meet identified needs. The Organization also provides the following services: 2-1-1 (Information & Referral), Volunteer Engagement, Community Impact, Community Planning, and Community Investments.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

- A. Basis of Accounting** - The accompanying financial statements have been prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other assets and liabilities.
- B. Basis of Presentation** - Contributions received are recognized at fair value, including unconditional promises to give when the promise is made. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods (time restriction) or are restricted by the donor for specific purposes (purpose restriction) are reported as temporarily restricted support. All amounts accounted for in the current campaign year revenue are considered to be temporarily restricted, as those funds are designated for use in the succeeding year.

The Organization is a beneficiary under various Wills and trust agreements. Related amounts are recorded when either a Will is declared valid by a probate court or the Organization is notified as an irrevocable beneficiary of a trust and the proceeds are measurable. The Organization receives various grants from state, local, and private agencies for program and supporting services. These grants are generally on a cost reimbursement basis. Revenues from grants are recognized in the statement of activities when expenses are made for the purpose specified. Grant funds that have been received but have not yet been expended for the purposes specified are reported as temporarily restricted net assets.

Income and gains on investments are reported as increases in permanently restricted net assets, if the terms of the gift that gave rise to the investment require such amounts be added to permanent endowment principal. Income and gains are reported as increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income and/or the income is related to a donor-restricted endowment fund; they are reported as increases in unrestricted net assets in all other cases.



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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

- C. **Net Asset Classification** - In August 2008, The Financial Accounting Standards Board issued Staff Position No. 117-1: *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* (“FAS 117-1”) now located in Accounting Standards Codification (ASC) Topic 958-205, Financial Statement Presentation. ASC Topic 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”). ASC Topic 958-205 also improves disclosures about an organization’s endowment funds (both donor-restricted and board-designated endowment funds) whether or not the organization is subject to UPMIFA. See Note 7 regarding the ASC Topic 958-205.

Net Asset Classification - Net assets and revenues, and gains and losses, are classified based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets - Net assets for which no donor has imposed any restrictions that the assets be used for a specific purpose or held for a certain period of time. Contributions received with time and/or purpose restrictions which are fully expended in the same period are classified as unrestricted.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may, or will, be met either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the use of all or part of the income earned on any related investment to be used for general or specific purposes.

- D. **Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.
- E. **Income Taxes** - The Organization is tax exempt under Section 501(c) (3) of the Internal Revenue Code. Accordingly, it is not liable for income taxes or federal unemployment insurance.

The Organization’s tax returns are open to audit for years ending December 31, 2011 through 2014.

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

- F. Allowance for Uncollectible Pledges** - The Organization uses the allowance method to provide for uncollectible pledge receivables. The allowance is based on prior years' experience and management's analysis of specific promises made and applied to gross campaign. Pledges receivable that are not collected are subject to Board approval for write-off. At December 31, 2014 and 2013, respectively, management has deemed allowances of \$240,586 and \$249,417 to be adequate.
- G. Functional Expenses** - Expenses are charged to each program based upon direct expenditures incurred. Any program expenses not directly chargeable are allocated to programs based on time records and estimates made by management.
- H. Donated Fixed Assets/Services** - Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted, unless the donor has restricted the donated asset to a specific purpose.

The value of donated services is not reflected in the accompanying financial statements, since there is no objective basis available by which to measure the value of such services. However, the organization's management estimates that over 1,700 and 1,800 volunteers served during 2014 and 2013, respectively, as fund raisers, committee members, and/or participators in the annual Day of Caring.

- I. Compensated Absences** - A liability is accrued where future vacation benefits are attributable to employee services already rendered. The obligation relates to rights that are accumulated or vested; payment of compensation is probable and can be reasonably estimated. At December 31, 2014 and 2013, this liability amounted to \$32,912 and \$27,703, respectively, and has been included in other liabilities in the accompanying financial statements.
- J. Cash and Cash Equivalents** - For purposes of the statements of cash flow, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
- K. Property, Equipment, and Depreciation** - The Organization considers expenditures of \$250 or more made for items expected to have a useful life of three years or more to be capital in nature. The fair value of donated fixed assets is similarly capitalized. Depreciation is then recorded for these assets as an expense, using the straight-line method over estimated useful lives, as follows:

	<u>Years</u>
Equipment, furniture and fixtures	3 - 10
Building and improvements	10 - 40
Intangible assets	5 - 10

**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Property, Equipment, and Depreciation (continued)** - At December 31, the cost basis of such assets was as follows:

<u>Asset Class</u>	<u>2014</u>	<u>2013</u>
Land	\$ 12,881	\$ 12,881
Building and improvements	585,642	567,638
Equipment, furniture and fixtures	245,520	242,542
Intangible assets	<u>76,973</u>	<u>60,234</u>
<b>Total Costs</b>	921,016	883,295
Less: accumulated depreciation	<u>(688,963)</u>	<u>(647,330)</u>
<b>Net</b>	\$ <u><b>232,053</b></u>	\$ <u><b>235,965</b></u>

**L. Comparative Data** - The data for the year ended December 31, 2013 has been included for comparison purposes only. It is not intended to fully reflect the Organization's financial position or results of activities for that period.

**M. Advertising** - The Organization expenses advertising charges as incurred. Advertising and promotional expenses for the years ended December 31, 2014 and 2013 were \$63,988 and \$63,583, respectively.

**N. Agency Transactions** - The Organization, acting as an agent, receives cash contributions from individuals, small businesses, large corporations and others. These donations are transferred to the designated recipients based on the wishes of the donor.

**O. Investments** - The Organization records investments in securities at the fair value on date of purchase or donation and recognizes the unrealized gain or loss resulting from the difference between cost and market value in the statement of activities. Investments with readily determinable fair values are stated at fair market value in the Statement of Financial Position.

**P. Subsequent Events** - The Organization has evaluated events and transactions that have occurred between January 1, 2015 and November 11, 2015, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

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**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Q. Reclassifications** - Certain amounts from the 2013 financial statements have been reclassified to conform to the presentation for 2014. Net asset classifications previously reported were not impacted by this reclassification.

**NOTE 3 – CONCENTRATIONS OF CREDIT RISK**

The Organization maintains cash balances at three banking institutions which all are insured by the Federal Deposit Insurance Corporation (FDIC) up to the first \$250,000. At various times throughout the year, cash balances held have exceeded this limit.

All interest bearing and all noninterest bearing accounts were insured up to \$250,000 by FDIC in 2014.

The Organization also maintains accounts with stock brokerage firms and has beneficial interests in trusts which maintain accounts with brokerage firms. The accounts contain cash, securities, and other investments. The balances are insured by the Securities Investors Protection Corporation (“SIPC”) up to \$500,000 with a \$250,000 limit for cash.

Credit risk for pledges receivable and contribution revenue is concentrated as substantially all receivable balances and contributions earned are from individuals located within the same geographic region.

**NOTE 4 – RISKS AND UNCERTAINTIES**

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the net assets of the Organization.

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**  
**(See Independent Auditor's Report)**

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**NOTE 5 – FAIR VALUE MEASUREMENTS**

Accounting Standards Codification (ASC) Topic 820, Fair Value Measurements and Disclosures, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value. There were no investments valued using Level 3 inputs.

Level 1 - Fair Value Measurements

The fair values of common stock, equity mutual funds, and U.S. Government securities are based on quoted market prices. The unit price for these investments held by the Organization are revalued and published on an actively traded market at least daily.

Level 2 - Fair Value Measurements

The fair values of auction rate preferred securities, corporate bonds, money market funds, bond funds, and government agency obligations are determined using quoted market prices currently available for securities with similar terms and maturity dates. Beneficial interests in trust are valued at the quoted market price of the securities held in trust, adjusted for the Organization's beneficial share of the trust.

Investment securities are subject to various risks, including credit, interest rate, and overall market risk. Due to these risks associated with investment securities, the amount the Organization will ultimately realize could differ materially from the estimated value in the near term.

Cash equivalents, investments, and beneficial interest in trusts are stated at fair value. The following table presents fair value measurement information for certain financial instruments.

**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 5 – FAIR VALUE MEASUREMENTS (continued)**

		<b>Fair Value Measurements at Reporting Date Using:</b>			
		<b>Cost</b>	<b>Fair Value</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
<b>December 31, 2014</b>					
Cash equivalents	\$	<u>675,947</u>	\$ <u>675,947</u>	\$ -	\$ <u>675,947</u>
Beneficial interest in trusts	\$	<u>844,949</u>	\$ <u>892,242</u>	\$ -	\$ <u>892,242</u>
<b>Debt securities – available for sale</b>					
U.S. Government securities	\$	374,164	\$ 412,113	\$ 412,113	\$ -
U.S. Government backed securities		354	350	-	350
Domestic and foreign corporate bonds		1,756,292	1,789,682	-	1,789,682
Taxable bond funds		5,587,416	5,605,222	-	5,605,222
Int'l fixed income corp. bonds		<u>105,063</u>	<u>112,080</u>	-	<u>112,080</u>
<b>Total debt securities available for sale</b>		<u>7,823,289</u>	<u>7,919,447</u>	<u>412,113</u>	<u>7,507,334</u>
<b>Equity securities – available for sale</b>					
Domestic equities		9,422,005	13,357,695	13,357,695	-
Foreign equities		247,162	279,083	279,083	-
Domestic mutual equity funds		4,556,764	5,246,455	5,246,455	-
Foreign mutual equity funds		1,813,727	1,961,968	1,961,968	-
Mutual funds alternative investments		<u>154,399</u>	<u>150,256</u>	-	<u>150,256</u>
<b>Total equity securities available for sale</b>		<u>16,194,057</u>	<u>20,995,457</u>	<u>20,845,201</u>	<u>150,256</u>
<b>Total investments</b>	\$	<u>24,017,346</u>	\$ <u>28,914,904</u>	\$ <u>21,257,314</u>	\$ <u>7,657,590</u>

**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 5 – FAIR VALUE MEASUREMENTS (continued)**

		<b>Fair Value Measurements at Reporting Date Using:</b>			
		<b>Cost</b>	<b>Fair Value</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
<b>December 31, 2013</b>					
Cash equivalents	\$	<u>866,727</u>	\$ <u>866,727</u>	\$ <u>-</u>	\$ <u>866,727</u>
Beneficial interest in trusts	\$	<u>793,457</u>	\$ <u>903,010</u>	\$ <u>-</u>	\$ <u>903,010</u>
<b>Debt securities – available for sale</b>					
U.S. Government securities	\$	475,158	\$ 520,824	\$ 520,824	\$ -
U.S. Government backed securities		77,220	77,574	-	77,574
Domestic and foreign corporate bonds		1,765,460	1,814,217	-	1,814,217
Taxable bond funds		5,660,544	5,676,566	-	5,676,566
Foreign fixed income mutual funds		550,405	517,637	-	517,637
Int'l fixed income corp. bonds		<u>105,221</u>	<u>99,043</u>	<u>-</u>	<u>99,043</u>
<b>Total debt securities available for sale</b>		<u>8,634,008</u>	<u>8,705,861</u>	<u>520,824</u>	<u>8,185,037</u>
<b>Equity securities – available for sale</b>					
Domestic equities		9,554,804	13,384,667	13,384,667	-
Foreign equities		202,810	236,959	236,959	-
Domestic mutual equity funds		2,976,748	3,880,283	3,880,283	-
Foreign mutual equity funds		2,272,834	2,651,657	2,651,657	-
Mutual funds alternative investments		<u>151,129</u>	<u>152,162</u>	<u>-</u>	<u>152,162</u>
<b>Total equity securities available for sale</b>		<u>15,158,325</u>	<u>20,305,728</u>	<u>20,153,566</u>	<u>152,162</u>
<b>Total investments</b>	\$	<u>23,792,333</u>	\$ <u>29,011,589</u>	\$ <u>20,674,390</u>	\$ <u>8,337,199</u>

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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 6 – RETIREMENT PLANS**

The Organization sponsored a noncontributory defined benefit Pension Plan covering substantially all of its employees which was frozen as of October 1, 2011 at which point all accruals and new participation permanently ceased. Effective July 1, 2014 the Organization decided to terminate the Plan. They anticipate the termination process to be completed in 2015. Currently, the Organization is in the process of completing the process; however, until it is complete, the total cost of terminating the defined benefit plan is undetermined.

The Plan provided normal, death, and disability benefits based on a percentage of qualifying compensation during the final 36 months of employment. The Organization's funding policy was to make at least the required annual contribution under applicable standards and attempt to increase the contribution to the recommended level when funding was available. Contributions are intended to provide for benefits earned prior to the Plan being frozen.

The Plan was amended effective July 1, 2010 to reduce the formula for future benefit accruals for each year of service from 1.50% of final average 3-year compensation in excess of Covered Compensation, to 1.0% of final average 5-year compensation. The early retirement factors were also adjusted.

<b>Pension Plan Obligations and Funded Status As of December 31:</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Projected benefit obligation	\$ <u>2,560,473</u>	\$ <u>1,650,585</u>
Fair value of plan assets	\$ <u>1,364,424</u>	\$ <u>1,286,920</u>
Funded Status	\$ <u>(1,196,049)</u>	\$ <u>(363,665)</u>
Accumulated benefit obligation	\$ 2,560,473	\$ 1,650,585
Employer contributions	102,208	117,143
Benefits paid and expense charges	77,787	74,119
Net periodic benefit cost	39,940	145,500

The Plan incorporated the most current mortality tables released by the Society of Actuaries in October 2014. The change to the new table resulted in an increase in the projected benefit obligation of \$197,384 for the year ended December 31, 2014.

Amounts recognized in the statement of financial position

Accrued pension cost	\$ <u>1,196,049</u>	\$ <u>363,665</u>
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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 6 – RETIREMENT PLANS (continued)**

	<u>2014</u>	<u>2013</u>
<u>Net Periodic Benefit Cost (Credit)</u>		
Service Cost	\$ -	\$ -
Interest Cost	79,752	72,464
Expected return on assets	(102,268)	(87,748)
Unrecognized (gain) loss	62,456	160,784
Curtailment credit	-	-
Unrecognized past service liability	<u>-</u>	<u>-</u>
Net periodic benefit cost (credit)	\$ <u>39,940</u>	\$ <u>145,500</u>
Net (gain) or loss	\$ 1,323,848	\$ 452,981
Past service credit		-
<u>Less: Amounts previously recognized in unrestricted net assets not recognized as periodic pension costs</u>	<u>(452,981)</u>	<u>(857,681)</u>
Total charge to net assets	\$ <u>(870,867)</u>	\$ <u>(404,700)</u>

The following assumptions were used in accounting for the pension plan

Weighted Average Assumptions used to determine net periodic benefit cost

Discount Rate	4.95%	4.05%
Long-term rate of return on plan assets	8.00%	8.00%
Salary increase rate	N/A	N/A

Weighted Average Assumptions used to determine pension benefit obligations

Discount Rate	2.50%	4.95%
Salary Increase Rate	N/A	N/A

The change in the discount rate was made to better reflect current trends. This change resulted in an increase in the projected benefit obligation of \$683,011 for the year ended December 31, 2014.

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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 6 – RETIREMENT PLANS (continued)**

**Determination of Long-Term Rate-of-Return**

The long-term rate-of-return-on-assets assumption was set based on historical returns earned by equities and fixed income securities, adjusted to reflect expectations of future returns as applied to the plan's target allocation of asset classes. Equities and fixed income securities were assumed to earn real long-term rates of return in the ranges of 5%-7% and 2%-4%, respectively. The long-term inflation rate was estimated to be 2.5%. When these overall return expectations are applied to the plan's target allocation, the result is an expected rate of return of 5% to 7%.

**Investment Policies and Strategies**

Plan assets are invested in the diversified investment funds of the Pentegra retirement Trust (the "Trust," formerly known as RSI Retirement Trust), a private placement investment fund. Due to the plan termination in progress, plan assets are invested 99% in a fixed income portfolio (LTGFI) and 1% in a cash equivalent fund (for liquidity). LTGFI is a diversified portfolio that invests in a number of fixed-income mutual funds and collective investment trusts. The Portfolio invests primarily in intermediate-term bond funds with a focus on Core Plus fixed-income investment approaches.

The overall long-term investment objectives are to maintain plan assets at a level that will sufficiently cover benefit liabilities (anticipating additional contributions by the plan sponsor needed to make the plan assets sufficient to cover all benefit liabilities). The LTGFI Portfolio is designed to provide long-term growth of fixed-income assets with the objective of reducing interest rate volatility between current assets and benefit obligations.

**Current Asset Allocation**

The Organization's pension plan weighted-average asset allocations by asset category are as follows:

Asset Category	Plan assets at December 31, 2014	Plan assets at December 31, 2013
Fixed Income - Intermediate Duration (LTGFI)	99%	0%
Cash Equivalents- Money Market	1%	0%
Mutual Funds - Equity Securities	0%	41%
Mutual Funds - Fixed Income Securities	0%	45%
Common/Collective Trusts Equities	<u>0%</u>	<u>14%</u>
Total	<u>100%</u>	<u>100%</u>

**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 6 – RETIREMENT PLANS (continued)**

**Current Asset Allocation (continued)**

<b><u>Major Categories of Plan Assets Fair Value Measurements</u></b>	<b><u>Fair Value</u></b>	<b><u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u></b>	<b><u>Significant Other Observable Inputs (Level 2)</u></b>
<b><u>December 31, 2014</u></b>			
Fixed Income- Intermediate Duration (LTGFI)	\$ 1,343,094	\$ -	\$ 1,343,094
Cash Equivalents- Money Market	<u>17,797</u>	<u>17,797</u>	<u>-</u>
Total	\$ <u>1,360,891</u>	\$ <u>17,797</u>	\$ <u>1,343,094</u>

<b><u>Major Categories of Plan Assets Fair Value Measurements</u></b>	<b><u>Fair Value</u></b>	<b><u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u></b>	<b><u>Significant Other Observable Inputs (Level 2)</u></b>
<b><u>December 31, 2013</u></b>			
Mutual Funds-Equity	\$ 521,931	\$ 521,931	\$ -
Common/Collective Trusts-Equity	179,840	-	179,840
Common/Collective Trust-Fixed Income	186,100	-	186,100
Mutual Funds-Fixed Income	<u>375,264</u>	<u>375,264</u>	<u>-</u>
Total	\$ <u>1,263,135</u>	\$ <u>897,195</u>	\$ <u>365,940</u>

**Level 1 - Fair Value Measurements**

The fair values of equity mutual funds are based on quoted market prices. The unit price for these investments held in the Organization's pension account are revalued and published on an actively traded market at least daily.

**Level 2 - Fair Value Measurements**

The fair values of common collective trusts are determined using quoted market prices currently available for securities with similar terms and maturity dates.

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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 6 – RETIREMENT PLANS (continued)**

**Cash Flows**

Expected Contributions

For the Fiscal Year ending December 31, 2015 the Organization expects to contribute \$1,194,274 to the Plan.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service as appropriate and the termination and closeout of the plan, are expected to be paid.

2015	\$ 2,623,093
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**Tax Deferred Annuity Plan**

The Organization has adopted a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers all permanent employees of the Organization and is funded through employee voluntary contributions to the plan. There are no expenses for the Organization for this plan.

**NOTE 7 – TEMPORARILY RESTRICTED AND BOARD DESIGNATED NET ASSETS**

**Adoption of Uniform Prudent Management of Institutional Funds Act (UPMIFA)** – The State of New York adopted UPMIFA effective September 17, 2010. As a result of that enactment, the Organization has adopted FAS 117-1, now located in Accounting Standards Codification (ASC) Topic 958-205, Financial Statement Presentation, for the year ending December 31, 2010. The Board of Directors, on the advice of legal counsel, has determined that the majority of the Organization's permanently restricted net assets meet the definition of endowment funds under UPMIFA. The Organization is governed subject to the Governing Documents of the Organization, and most contributions received are subject to the terms of the Governing Documents.

During the year ended December 31, 2010, the Organization has reviewed all endowment funds and has transferred to temporarily restricted net assets those amounts that are subject to UPMIFA that were previously classified as unrestricted. The total amount transferred amounted to \$4,230,375.

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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 7 – TEMPORARILY RESTRICTED AND BOARD  
DESIGNATED NET ASSETS (continued)**

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**Board designated net assets** are a result of two actions by the Board of Directors of the Organization. Effective December 31, 1996, the Board of Directors designated a portion of the unrestricted net asset balance of the trust and endowment funds to support a pledge to the annual campaign. This designation was made to reflect the spending policy of the Trust and Endowment Funds which allows contributions to the annual campaign from the trust and endowment funds of 5% of the fair market value of these funds. Therefore, the Board has reserved the lesser of the unrestricted portion of the trust and endowment funds or the portion of the available net assets needed to meet the succeeding year pledge from the trust and endowment funds. The board has reserved additional \$1,000,000 in 2014 for termination of the defined benefit plan (see Note 6). The amount reserved based upon this formula amounted to \$10,505,145 and \$9,535,145 at December 31, 2014 and 2013, respectively.

In addition, the Board has established a reserve equal to one month's allocation expense as a contingency fund. The total amount reserved under these policies was \$253,700 for both 2014 and 2013.

**Temporarily restricted net assets** result primarily from timing restrictions on campaign pledges received in the current fiscal year but designated for use in the next fiscal year and the portion of perpetual endowment funds subject to a time restriction under UPMIFA.

The following is a table of the composition of temporarily restricted assets as of the end of the year.

	<u>2014</u>	<u>2013</u>
Deferred campaign revenue	\$ 1,420,006	\$ 1,578,195
Donor restricted endowment funds	7,656,446	7,393,156
Flood relief contributions	25,154	-
Deferred grant income	2,947	963
Deferred sponsorship income	7,508	8,287
Interest beneficial trusts	<u>-</u>	<u>-</u>
Total	\$ <u>9,112,061</u>	\$ <u>8,980,601</u>

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8 – PERMANENTLY RESTRICTED NET ASSETS**

The following is a table of the composition of permanently restricted net assets as of the end of the year:

	<u>2014</u>	<u>2013</u>
Donor restricted endowment	\$ 10,494,855	\$ 10,464,855
Donor restricted interest in beneficial trusts	<u>892,242</u>	<u>903,010</u>
Total	\$ <u>11,387,097</u>	\$ <u>11,367,865</u>

**NOTE 9 – ENDOWMENTS**

The Organization's endowment includes both donor-restricted endowments and funds designated by the Board of Directors to function as endowments. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds, including funds designated by Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of New York as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted funds, absent any explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the funds.
2. The purposes of the Organization and the donor-restricted endowment funds.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.

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**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 – ENDOWMENTS (continued)**

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6. Other resources of the Organization.
7. The investment policies of the Organization.

**Return objectives and risk parameters-** The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for donor-specified periods, as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested to provide an average rate of return of approximately nine percent annually. Actual returns in any given year may vary from this amount.

**Strategies employed for achieving objectives** - To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investment to achieve its long-term return objectives within prudent risk constraints.

**Spending policy and how the investment objective relates to spending policy** - Distribution of endowment funds are approved annually by the Trust Fund Committee. A guideline for distributions from the two main trust and endowment funds is calculated based upon 5% of the five-year average of the fair market value of these two funds as of June 30 of each year. The amount approved for distribution from these two funds was \$1,050,000 and \$1,000,000 for 2014 and 2013, respectively. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of four percent annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Distributions from the Emergency and Capital Needs Fund are approved annually by the Trust Fund Committee and caps the annual distribution to a five-year average of the fair market value of the account, less 120% of the original restricted bequest. To establish the approved maximum distribution from the Emergency & Capital Needs Fund, the Trust Fund Committee also considers the projected income from the fund for the next year, the estimated funding requests, and the amount of emergency funds remaining from the prior year(s). Distributions from the Robert L. McDevitt Fund are based upon the income earned, as the donor has stipulated that any income not distributed will revert to restricted balances.

**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 9 – ENDOWMENTS (continued)**

The following tables report endowment net asset composition and changes in net assets by type of fund:

<b><u>Changes in Endowment Net Assets for the Year Ended</u></b>	<b><u>Unrestricted</u></b>	<b><u>Temporarily Restricted</u></b>	<b><u>Permanently Restricted</u></b>	<b><u>Total</u></b>
<b>December 31, 2014</b>				
Endowment net assets, beginning of the year	\$ 11,489,590	\$ 7,397,709	\$ 10,464,855	\$ 29,352,154
Contributions	-	-	30,000	30,000
Appropriation of endowment funds for expenditure	(506,268)	(637,494)	-	(1,143,762)
Investment Return:				
Investment income	302,759	346,732	-	649,491
Realized and unrealized appreciation (depreciation)	<u>509,932</u>	<u>549,495</u>	<u>-</u>	<u>1,059,427</u>
Total	<u>\$ 11,796,013</u>	<u>\$ 7,656,442</u>	<u>\$ 10,494,855</u>	<u>\$ 29,947,310</u>
<b>December 31, 2013</b>				
Endowment net assets, beginning of the year	\$ 10,113,301	\$ 5,626,883	\$ 10,464,855	\$ 26,205,039
Contributions	148,297	-	-	148,297
Other adjustments	(12,650)	-	-	(12,650)
Appropriation of endowment funds for expenditure	(498,419)	(735,789)	-	(1,234,208)
Investment Return:				
Investment income	739,587	341,983	-	1,081,570
Realized and unrealized appreciation (depreciation)	<u>999,474</u>	<u>2,164,632</u>	<u>-</u>	<u>3,164,106</u>
Total	<u>\$ 11,489,590</u>	<u>\$ 7,397,709</u>	<u>\$ 10,464,855</u>	<u>\$ 29,352,154</u>



**UNITED WAY OF BROOME COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 – ENDOWMENTS (continued)**

**Net Asset Composition**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>December 31, 2014</b>				
Donor restricted endowment	\$ -	\$ 7,656,442	\$ 10,494,855	\$ 18,151,297
Board-designated endowment	<u>11,796,013</u>	-	-	<u>11,796,013</u>
Total	<u>\$ 11,796,013</u>	<u>\$ 7,656,442</u>	<u>\$ 10,494,855</u>	<u>\$ 29,947,310</u>

**Net Asset Composition (continued)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>December 31, 2013</b>				
Donor restricted endowment	\$ -	\$ 7,397,709	\$ 10,464,855	\$ 17,862,564
Board-designated endowment	<u>11,489,590</u>	-	-	<u>11,489,590</u>
Total	<u>\$ 11,489,590</u>	<u>\$ 7,397,709</u>	<u>\$ 10,464,855</u>	<u>\$ 29,352,154</u>

**NOTE 10 – BENEFICIAL INTEREST IN TRUST**

The Organization has recognized as contributions the United Way's respective beneficial interest in two perpetual trusts.

Under the terms of the perpetual trusts, the Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The Organization has recorded the asset at the estimated fair value of the Organization's share of the beneficial interest in trust assets. Income earned on the trust assets is recorded as unrestricted revenue in the accompanying statement of activities unless otherwise restricted by the donor. Changes in fair value of the beneficial interest in the trust assets are recorded as unrealized gains or losses in the permanently restricted net asset class.

A summary of the Beneficial Interest in Trusts is as follows:

	<u>2014</u>	<u>2013</u>
Perpetual trusts	\$ <u>892,242</u>	\$ <u>903,010</u>

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**UNITED WAY OF BROOME COUNTY, INC.**  
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**NOTE 11 – GOVERNMENT CAMPAIGNS**

The Organization served as the campaign agent for the Broome County State Employees Campaign for both 2014 and 2013. Amounts raised as part of this campaign are included in Gross Campaign results reported. The following is a summary of the campaign results.

	<u>2014</u>	<u>2013</u>
Gross Campaign-Broome County State Employees	\$ 161,053	\$ 173,308
Less: amounts designated to other agencies	<u>(137,381)</u>	<u>(148,986)</u>
Net campaign revenue	\$ <u>23,672</u>	\$ <u>24,322</u>

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**UNITED WAY OF BROOME COUNTY, INC.**  
**SCHEDULE OF ALLOCATIONS AND GRANTS**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2014**

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**Local Member Agencies:**

ACCORD	\$	13,438
Action for Older Persons		36,667
American Civic Association		31,136
American Red Cross, Southern Tier Chapter		239,945
Baden-Powell Council, Boy Scouts of America		80,513
Boys and Girls Club of Binghamton		167,256
Boys and Girls Club of Western Broome		129,393
Catholic Charities of Broome County		200,625
Crime Victims Assistance Center		17,323
Deposit Foundation, Inc.		15,143
Family and Children's Society		112,959
Family Planning of South Central NY		59,499
Girl Scouts of NYPENN Pathways		42,718
Handicapped Children's Association		3,252
Haven After School		7,021
Jewish Community Center		88,206
Johnson City Senior Center		7,796
Literacy Volunteers of Broome/Tioga		13,738
Mental Health Association		75,061
Mothers & Babies Perinatal Network of South Central New York		21,641
National MS Society, Upstate New York Chapter		2,030
Rise NY a/k/a SOS Shelter		71,296
Salvation Army		55,340
Southern Tier Alternative Therapies		14,470
Wilson Children's Center		46,732
Young Men's Christian Association		285,650
Young Women's Christian Association		85,036
<b>Total Local Member Agencies</b>		<b>1,923,884</b>

**Other Allocations and Grants:**

Venture Grant and Miscellaneous Grants		227,808
Capacity Building Fund		25,000
Less: Allocations Funded By Donor Designations		-
<b>TOTALS</b>	<b>\$</b>	<b>2,176,692</b>

See independent auditor's report.

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**UNITED WAY OF BROOME COUNTY, INC.  
SCHEDULE OF SERVICES RENDERED  
YEAR ENDED DECEMBER 31, 2014**

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**Community Investments**

**Program Expenditures** **\$ 2,039,606**

The **Community Investment** function supports the work of community volunteers in making recommendations to the Board of Directors on the allocation of organizational resources. Campaign and trust fund proceeds are provided to support community priorities as developed through community planning and engagement efforts. Community volunteer recommendations include the allocation of funds for funded partner programs, Planned Capital Grants, Emergency grants, and Venture Grants. Funds are monitored to insure that agreed upon goals for each program/project are met in an economical and effective manner. Periodic and annual program and financial reports of funded agencies are submitted for careful review by the community volunteers.

**2-1-1**

**Program Expenditures** **\$ 234,500**

The 2-1-1 information and referral program, links people in need with the appropriate service in Broome, Tioga, Chenango, Delaware and Otsego Counties and maintains an extensive database of agency and program information.

**Volunteer Engagement**

**Program Expenditures** **\$ 168,594**

The **Volunteer Engagement** function supports efforts to engage individuals in service opportunities throughout the community. This includes the mobilization of more than 800 community volunteers annually as part of United Way's Annual Day of Caring. Efforts to mobilize young people through Student United Way are also supported through this function. The mobilization of community volunteers is becoming an increasingly important function as United Way seeks to align volunteer efforts with community priorities.

**Community Impact & Initiatives Programs**

**Program Expenditures** **\$ 360,716**

Community Impact & Initiatives Programs refers to efforts designed to bring about lasting community change on a limited number of priority issues. This includes training and community events to build capacity around the Community Impact Model as well as the management and direct delivery of services such as the Healthy Lifestyles Coalition and other multi-partner collaborative community programs.

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**UNITED WAY OF BROOME COUNTY, INC.  
SCHEDULE OF SERVICES RENDERED  
YEAR ENDED DECEMBER 31, 2014**

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**Community Planning and Relations**

**Program Expenditures**

**\$ 126,565**

The **Community Planning** function develops community partnerships, linkages, and coalitions aimed at seeking solutions to human services issues. It assists in the identification of current human service needs, and evaluates the services provided to meet those needs.

See independent auditor's report.

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### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
United Way of Broome County, Inc.

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of United Way of Broome County, Inc. (a nonprofit organization), which comprises the statement of financial position as of December 31, 2014 and 2013, and the related statements of cash flows for the years then ended, and the accompanying statements of activities and functional expenses for the year ended December 31, 2014 and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

**INDEPENDENT AUDITOR'S REPORT**  
**(Continued)**

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Broome County, Inc as of December 31, 2014 and 2013, and the changes in its net assets for the year ended as of December 31, 2014 and its cash flows for the years ended December 31, 2014 and 2013 in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary schedules on pages 25-27 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Report on Summarized Comparative Information**

We have previously audited the United Way of Broome County, Inc's. 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Davidson, Fox & Company, LLP*

Binghamton, New York  
November 11, 2015